



Philadelphia Homeownership Center

U.S. Department of Housing and Urban Development

The Wanamaker Building
100 Penn Square East
Philadelphia, PA 19107-3389

CIRCULAR LETTER PH 99-10

September 29, 1999

TO: All Approved Mortgagees Doing Business in Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, and West Virginia

FROM: Morris E. Carter, Director, Philadelphia Homeownership Center, 3AHH

SUBJECT: Planned Unit Development Processing Guidelines

In order to better serve our clients, the Philadelphia Homeownership Center has developed a streamlined processing procedure for approval of Planned Unit Developments (PUD) considered to be de minimus in nature. The streamlined procedure will apply only to those PUDs that have minimal common amenities and small monthly dues. PUDs with common amenities such as green areas, entrance signs, tot lots, tennis courts and roads will be eligible under the new procedures. Examples of PUDs that would not qualify include those that provide for maintenance of portions of individual units (such as roofs, porches, decks, etc.) and those with maintenance responsibilities for common utilities (such as community water or sewage systems). Dues for the maintenance of common elements should not typically exceed \$50.00 per month.

To take advantage of the new procedure, lenders should submit a letter requesting a waiver of the standard PUD processing procedures. The letter should include the following information:

1. Legal name and full address of the PUD, including County and Zip Code;
2. Description of the common amenities;
3. Amount of Homeowners Association dues.

No other documentation is necessary. For this reason, it is important for lenders to review the Homeowners Association documents to ensure that the information submitted with the request is accurate.

The request should be sent to the Philadelphia Homeownership Center Technical Branch for processing. If the request is approved, an identification number will be assigned and the de minimus PUD will be added to the list of approved PUDs.

If you have any questions regarding this procedure, please contact the Philadelphia Homeownership Center Technical Branch at (215) 656-0578, Option 6.